

REAL STRUCTURAL CHANGES IN HEALTHCARE AND PENSION BENEFITS FOR STATE EMPLOYEES

FOR ALL EMPLOYEES

- INCREASED PENALTY FOR EARLY RETIREMENT (for retirements after October 1)
 - Reduction Factor: From 3% to 6%
 - Health Care Contribution: Contribution ranges from 2% to 40% (Sliding scale depending on YOS and number of years retiring early)
- INCREASED YEARS OF SERVICE AND AGE TO BE ELIGIBLE FOR NORMAL RETIREMENT (for current employees retiring after 7/1/2022)
 - From Age 60 and 25 YOS to Age 63 and 25 YOS
 - From Age 62 and 10 YOS to Age 65 and 10 YOS
- INCREASED YEARS OF SERVICE TO BE ELIGIBLE FOR RETIREE HEALTH BENEFIT
 - From 5 years to 10 years (regardless of age)
- PENSION MINIMUM COLA ADJUSTMENT (for retirements after October 1)
 - Decrease From 2.5% to 2.0%
- MANDATORY CONTRIBUTION TO RETIREMENT HEALTH CARE TRUST FUND
 - 3% for ten years

FOR NEW EMPLOYEES (hired after 7/1/2011)

- NO LONGEVITY PAYMENTS FOR NEW EMPLOYEES
- INCREASED YEARS OF SERVICE AND AGE TO BE ELIGIBLE FOR NORMAL RETIREMENT
 - From Age 60 and 25 YOS to Age 63 and 25 YOS
 - From Age 62 and 10 YOS to Age 65 and 10 YOS
- INCREASED AGE TO BE ELIGIBLE FOR EARLY RETIREMENT
 - From Age 55 and 10 YOS to Age 58 and 10 YOS

- INCREASED YEARS OF SERVICE AND AGE TO BE ELIGIBLE FOR HAZARDOUS DUTY RETIREMENT
 - From 20 YOS (no age) to earlier of (a) Age 50 and 20 YOS and (b) 25 YOS
- INCREASED YEARS OF SERVICE TO BE ELIGIBLE FOR RETIREE HEALTH BENEFIT
 - From 10 years to 15 years
- PENSION BASED ON FINAL FIVE YEAR AVERAGE PAY(rather than highest three year average)